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March 5, 2008

KEY FEATURES OF THE CHAIRMAN'S MARK OF THE FY 2009 BUDGET RESOLUTION

A Fiscally Responsible Budget that Funds Critical Priorities

Fiscal Responsibility

The budget is fiscally responsible, returning to balance in 2012. The budget resolution complies with the House pay-as-you-go rule that requires all mandatory spending and revenue provisions to be deficit-neutral. The budget resolution also provides reconciliation protection for a repair of the Alternative Minimum Tax that is fully paid for. The budget contains initiatives to crack down on wasteful spending, and its deficit-neutral reserve funds will ensure that new initiatives are offset by reductions in lower priority spending. The budget relies on realistic economic assumptions from the non-partisan Congressional Budget Office.

Rejecting the President's Harmful Cuts

The budget rejects the President's deep cuts affecting a wide range of services and constituencies, including the following:

- \$150 billion of Medicare cuts over five years and billions in cuts to Medicaid;
- more than \$18 billion over five years in new fees for veterans and military retirees;
- a six percent cut to the Centers for Disease Control and Prevention, as well as a 16 percent cut to the Health Resources and Services Administration (HRSA), which provides health care access to under-served populations;
- the elimination of several state and local law enforcement programs, including the State Criminal Alien Assistance Program, Byrne Grants, and COPS; and
- cutting the Environmental Protection Agency, in large part through cuts to grants that help protect public health and maintain environmental quality.

Rebuilding America's Future

This budget is another down payment to fulfill commitments we have made to the American people. The budget rejects the President's misguided budget, instead investing in proven programs that boost economic growth, create jobs, make America safer, promote fiscally responsible tax relief to millions of households, and help families struggling to make ends meet in an economic downturn.

Strengthens the Economy

- **Innovation** — Provides crucial funding for the Democratic innovation agenda and the America COMPETES act to enhance our competitive edge, increasing funding for math and science education and research.

- **Energy** — Increases funding for efficient and renewable energy programs, rejecting the President's cuts to research as well as weatherization assistance for lower-income families, and accommodates legislation to encourage the production of renewable energy alternatives, increased energy efficiency, investments in new energy and vehicle technologies, and training workers for "green collar" jobs.
- **Education** — Provides substantially more than the President for the education budget function, which also includes job training programs.
- **Infrastructure** — Invests in highways, water, and other infrastructure by providing sufficient funding as well as a reserve fund that can facilitate priority new initiatives in a deficit neutral manner.

Provides Tax Relief and Help for Struggling Families

The budget rejects the President's policy of paying for tax cuts by adding to the debt burden of our children and grandchildren, and by imposing unacceptable cuts to programs, such as \$150 billion of Medicare cuts and more than \$18 billion over five years in new fees for veterans and military retirees.

- **Tax Relief** — Accommodates tax relief from the Alternative Minimum Tax for more than 20 million households, as well as middle-income tax cuts and other tax relief, so long as they comply with the pay-as-you-go rule.
- **Children's Health** — Accommodates a \$50 billion increase to expand children's health insurance to cover millions of uninsured children, in accordance with the pay-as-you-go rule.
- **Safety Net** — Strengthens safety net programs by providing needed funding for home heating assistance, the Social Services Block Grant, and housing aid – in contrast to the President's budget, which cuts funding for these programs.

Makes America Safer

- **Defense** — Provides robust funding for national defense while shifting funding to target high priorities including cooperative threat reduction, nuclear nonproliferation efforts, and quality of life issues for the troops and their families.
- **Veterans** — Takes care of veterans by rejecting the President's proposed new fees and increasing health care funding well above the amount needed to maintain current services – enough to allow VA to treat 5.8 million patients in 2009, including 333,275 Iraq and Afghanistan war veterans.
- **Homeland Security** — Protects our homeland, rejecting the President's cuts to first responder programs – including Community Oriented Policing Services (COPS) and firefighter assistance grants – and providing more funding than the President's budget for the four budget functions that contain the bulk of non-DOD homeland security funding.